

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**NOTICE OF FTI CONSULTING, INC., FINANCIAL ADVISOR TO THE
OFFICIAL COMMITTEE OF RETIRED EMPLOYEES OF THE
COMMONWEALTH OF PUERTO RICO, OF
RATE INCREASES EFFECTIVE JANUARY 1, 2020**

FTI Consulting, Inc. (“**FTI**”), financial advisor to the Official Committee of Retired Employees of the Commonwealth of Puerto Rico (the “**Retiree Committee**”), hereby submits this notice in accordance with the Court’s *Order Imposing Additional Presumptive Standards: Rate Increases and the Retention of Expert Witnesses or Other Sub-Retained Professionals* [Dkt. No. 7678] (“**Additional Presumptive Standards Order**”), and respectfully states as follows:

¹ The Debtors in these jointly-administered PROMESA title III cases, along with each Debtor’s respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric and Power Authority (Bankruptcy Case No. 17 BK 4780) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

As of January 1, 2020, the hourly rates of FTI professionals working on matters in this Title III case will increase generally, reflecting firm-wide annual rate increases and/or increases in individual professionals' seniority.

The hourly rate increases for the professionals expected to be most active in this case are as follows:

Professional*	Practice*	Prior to 1/1/2020		Effective 1/1/2020	
		Title	Rate	Rate	% Increase
Ana Heeren	Strategic Communications	Senior Managing Director	\$ 875.00	\$ 925.00	5.7%
Brian Maddox	Strategic Communications	Senior Managing Director	875.00	925.00	5.7%
Sean Gumbs	Corporate Finance/Restructuring	Senior Managing Director	1,095.00	1,125.00	2.7%
Steven Simms	Corporate Finance/Restructuring	Senior Managing Director	1,195.00	1,295.00	8.4%
Jefferies Murray	Strategic Communications	Managing Director	725.00	760.00	4.8%
Ji Yon Park	Corporate Finance/Restructuring	Managing Director	880.00	905.00	2.8%
Roland Litterst JR	Strategic Communications	Managing Director	725.00	760.00	4.8%
James Blakeslee	Strategic Communications	Senior Director	625.00	650.00	4.0%
John Whitcomb	Strategic Communications	Senior Director	625.00	650.00	4.0%
Kathryn Hanifin	Corporate Finance/Restructuring	Senior Director	625.00	650.00	4.0%
Andres Garcia Pelaez	Strategic Communications	Director	525.00	550.00	4.8%
Danielle Fornabaio	Strategic Communications	Director	525.00	550.00	4.8%
Hyunjung Lee	Strategic Communications	Senior Consultant	425.00	450.00	5.9%
Natalie Sombuntham	Corporate Finance/Restructuring	Senior Consultant	595.00	660.00	10.9%
Aoife Hughes	Strategic Communications	Consultant	325.00	350.00	7.7%
Edith Camargo Renteria	Strategic Communications	Consultant	325.00	350.00	7.7%
Kathryn Tirabassi	Corporate Finance/Restructuring	Consultant	400.00	455.00	13.8%
Lauren Smotkin	Strategic Communications	Consultant	325.00	350.00	7.7%
Percy Wang	Strategic Communications	Consultant	325.00	350.00	7.7%
Sebastian Maag Pardo	Strategic Communications	Consultant	325.00	350.00	7.7%
Marili Hellmund-Mora	Corporate Finance/Restructuring	Associate	275.00	280.00	1.8%

* Does not include professionals in the Economic Consulting or Technology practices, whose rate increases will be effective on 4/1/2020

As set forth in the certification of Sean A. Gumbs, attached hereto as **Exhibit A**, the Retiree Committee has authorized the rate increases detailed herein, both with respect to the January 1, 2020 effective date and on a timekeeper-by-timekeeper basis.

WHEREFORE, FTI respectfully requests that the Court take notice of the foregoing.

Dated: December 17, 2019

Respectfully submitted,

FTI Consulting, Inc.

By: /s/ Sean A. Gumbs

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THE COMMONWEALTH OF PUERTO RICO,
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PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**VERIFIED CERTIFICATION OF SEAN A. GUMBS IN SUPPORT OF
THE NOTICE OF FTI CONSULTING, INC., FINANCIAL ADVISOR TO
THE OFFICIAL COMMITTEE OF RETIRED EMPLOYEES OF THE
COMMONWEALTH OF PUERTO RICO, OF
RATE INCREASES EFFECTIVE JANUARY 1, 2020**

I, Sean A. Gumbs, hereby certify the following:

1. I am a Senior Managing Director with FTI Consulting, Inc., together with its wholly-owned subsidiaries (“FTI”), an international consulting firm.
2. I am the lead professional from FTI representing the Retiree Committee in connection with the above-captioned Title III Case. I am authorized to submit this certification in support of the *Notice of FTI Consulting, Inc., Financial Advisor to the Official Committee of*

² The Debtors in these jointly-administered PROMESA title III cases, along with each Debtor's respective title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are: (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric and Power Authority (Bankruptcy Case No. 17 BK 4780) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

Retired Employees of the Commonwealth of Puerto Rico, of Rate Increases Effective January 1, 2020 (the “Notice”), filed contemporaneously herewith. Except as otherwise noted, I have personal knowledge of the matters set forth herein.

3. In accordance with the *Order Imposing Additional Presumptive Standards: Rate Increases and the Retentions of Expert Witnesses or Other Sub-Retained Professionals* [Dkt. No. 7678] (“**Additional Presumptive Standards Order**”), the Retiree Committee authorized the rate increases identified in the Notice, both with respect to effective date and specific amount, on a timekeeper-by-timekeeper basis.

4. FTI’s 2019 and 2020 hourly rate schedules for non-Senior Managing Director timekeepers in the Corporate Finance/Restructuring and Strategic Communications practices are as follows:

TITLE	STANDARD RATE* (\$) 2019		STANDARD RATE* (\$) 2020	
	Corp. Fin./ Restructuring	Strategic Communications	Corp. Fin./ Restructuring	Strategic Communications
Managing Director	800 - 880	725	825 - 905	760
Senior Director	735 - 820	625	750 - 850	650
Director	670 - 790	525	700 - 820	550
Senior Consultant	480 - 640	425	545 - 690	450
Consultant	400 - 485	325	455 - 540	350
Associate/Project Assistant	275		280	

* Does not include professionals in the Economic Consulting or Technology practices, whose rate increases will be effective on 4/1/2020

5. On an annual basis, each FTI practice evaluates the hourly rates charged by its billing professionals to determine whether those rates should be increased based on a timekeeper's developing skill, experience, professional advancement and academic or professional level of certification. FTI's hourly rate increases are consistent with changes in market hourly rates. The 2020 rates charged by the billing professionals working on these Title III cases were set through

this process, and are consistent, both in amount and timing, with rates for FTI timekeepers not working on these Title III cases.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief formed after reasonable inquiry.

Executed on December 17, 2019

/s/ Sean A. Gumbs
Sean A. Gumbs